

## **THE 4P'S MARKETING MIX VARIABLES: AN ASSESSMENT OF CONCEPT, APPLICABILITY AND IMPACT ON ORGANIZATIONAL GOAL FROM WEST JAVA'S BUSINESS ORGANIZATIONS**

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**Abstract:** *Effective marketing strategy enables marketers to create a combination of variables in managing wisely the company's activities to achieve the expected goals. Now days, there are several approach methods that common practiced in marketing strategy which is called 4Ps. This research used independent variables that are place, price, promotion and place. And it's dependent variable was organizational goal. This study were to investigate (a) the practice application of 4Ps on business organization and (b) to examine the impact of the 4Ps marketing variables on business performance in Indonesia (c) to examine the impact of the 4Ps marketing variables on business performance in Indonesia. This research employed selected top manufacture companies listed in West Java-Indonesia. There were 110 respondents distributed as primary data that were obtained by distributing a structured questionnaires to marketing managers or director (or the manager involved in marketing activities). Data analysis was conducted through the 100 returned questionnaires (91 % respond rate valid for data analysis). The results of the study showed that marketing mix variables was applied in business practices. The reactions of the respondent toward mix variables and organizational variable mean was high in 4.12 and 4.04. The size of the variables are represented in the form of numbers starting from 1, 2, 3, 4 and 5. Thus the numbers 4.12 and 4.04 mean that 4P's variables and organizational goal variables are variables that play an important role in business organizations. Correlation of each product, price, promotion and place shows a positive direction and a strong relationship to organizational goals. And simultaneously the direction remains positive with a very strong relationship. Furthermore, the achievement of organizational goals can be predicted by using multiple linear regression where organizational goals are influenced by product strategy, price, promotion and place where Organizational goal =  $0.25 + 0.20 \text{ product} + 0.30 \text{ price} + 0.41 \text{ promotion} + 0,18 \text{ place}$ . And each independent variable (t-test) significantly influences the achievement of organizational goals. Likewise, simultaneously (F-test) independent variables significantly influence the achievement of organizational goals.*

**Keywords:** *Marketing variables, organizaional goal, business*

### **Introduction**

The marketing mix is an integrated instrument of marketing variables in building a successful marketing strategies to promote a particular product or service in achieve organizational goal. Development of Marketing mix actually originates from the single P (price) of miroeconomic theory (Chong, 2003). This concept was enlarged by marketing professor by the name of

Edmund Jerome McCarthy (February 20, 1928 – December 3, 2015) from one P became four P on 1960 that publicly introduced with additional three others Ps which called as marketing mix in his book: *A Managerial Approach*. He used 4Ps as abbreviation of product, price, promotion and place (Quelch and Jocz, 2008; Goi, 2009). And the marketing mix continues to grow from 4Ps to 7Ps (Booms and Bitner, 1980) by adding three other variables: people, process and physical evidences as strategic elements, which affect organizational goals.

Although, there is a general concept of marketing mix model as a generic marketing framework strategy, but there is no agreement about the total number of the variables. Some scholars agree with 4Ps model, and others agree with 7Ps model (Booms and Bitners, 1980; Lovelock, 2001; Bobeica, 2011; Akroush, 2011). This research was to investigate both model in practice, to examine the significant of each model in business organization, and to examine all the marketing variables to get the possibility the new marketing mix model. This research used independent variables that are place, price, promotion and place. And it's dependent variable was organizational goal. This study were to investigate (a) the practice application of 4Ps on business organization and (b) to examine the impact of the 4Ps marketing variables on business performance in Indonesia (c) to examine the impact of the 4Ps marketing variables on business performance in Indonesia. This research employed selected top manufacture companies listed in West Java-Indonesia.

## Literature Review

### *Marketing Variables.*

Marketing variables is also known as marketing mix that has been used as a foundation in model in marketing strategy. The marketing mix has been defined as the arrangement of marketing tools that the firm uses to market its marketing objectives in the target market. Marketing mix variables has been extremely influential in informing the development of both marketing theory and practice (Moller, 2006). To days, the practice using of marketing mix are applicable in business organization and service organization as well (Odunlami, 2013; Sukirman, 2015)

Borden (1964) claimed that he was the first person who used the term of “marketing mix”. He said that at the beginning, it was called as a “mixer of ingredients” term used by Culliton (1948) as a recipe for business. Borden's redefined “mixer of ingredients” became “marketing mix” which had a set of 12 elements namely: product; pricing; branding; channels of distribution; personal selling; adverstising; promotions; packaging; display; servicing; physical handling; and fact finding and analysis. Later McCarthy refined Border's idea and regrouped Border's 12 elements to four elements or 4Ps, namely product, price, promotion and place at a marketing mangers's command to satisfy the target market (Goi, 2009).

The concept of 4Ps has been criticized as being an uncompleted marketing variables. Scientists Booms and Bitner (1980) proposed additional new 3 Ps (participants, physical evidence and process) to the original 4Ps to apply the marketing mix concept.

**Product.** Product is defined as physical goods or abstract services. It is also idea, information, object created to fulfill customers' needs and requirements in markets. In other words, products can be in the form of goods or services (Business Dictionary, 2017; ). Goods is also defined as high quality and branding of services (Aaker, 1996; Doyle, 1999; Tilley, 1999). Moreover it

can be also defined as services, superior customer service (Reichheld and Sasser, 1990; Wong and Perry, 1991; Christopher, 1999; Lovelock, 2001). Thus, the product concept is very broad and includes not only natural products and services, but also the experience, people, places, property rights, business or organization, information and ideas (Isoraite, 2016).

Product could be tangible or intangible form. The character of goods are tangible and separability while the character of services are in contrary intangible and inseparability (Malau, 2017). Service is an abstract activities which have no physical, no palpable and can not be seen by eyes that are given from one party to the other party. For example, the hospitality of stewardess can not be seen but can be felt by passengers. Intelligence of a teacher cannot be touched but can be rated by students. Furthermore, in services organization such health organizations for example; Hospitals and clinics are intangible products that has unique character make the control of the marketing process (Akroush, 2011; Ruston and Carson, 1989).

Moreover, Odunlami (2013) state that product is not valued only in a feature or in a form of thing, but customer value the concept of the total value which come from goods, packaging, brand, label, service, quality and warranty. Satisfaction depends upon the total value expected by the customer itself. Marketers must ensure that their products can give satisfaction over the wishes of the customer. Marketers should focus on what the customers want and not by marketers. The core concept of marketing strategy is to how to create a product/service satisfactory to consumers (Tjiptono, 2008; Malau, 2017). The incompatibility of the offered product will disappoint the customer who ultimately leave the product. Marketers are very important to create the right product which is compatible with the customer desires. And also, marketers must ask themselves the question "what can I do to offer a better product to customers than my competitors".

In developing the right product (Acutt, 2015) stated that you have to fulfill these questions: What does the client want from the service or product? How will the customer use it? Where will the client use it? What features must the product have to meet the client's needs? Are there any necessary features that you missed out? Are you creating features that are not needed by the client? What's the name of the product? Does it have a catchy name? What are the sizes or colors available? How is the product different from your products? What does the product look like? Who are the competitors and how does it compare? (Chowning, 2017)

**Price.** Price is the exchanged of benefits and costs between a customer and a company. The price of the product is basically the amount that a customer pays for to enjoy it. It is perceived by the customer as an indicator of quality or benefits. The company attempt to deliver value to customer-make a good product, make it available through accessible channels, communicate the product's benefits clearly (Lacobucci, 2014). High priced products are often perceived as high quality. But often customers feel disappointed because the expensive price is not commensurate with the quality or usefulness obtained. Customer loyalty will be disrupted if they are disappointed with a product. And if a customer is disappointed with a product there is a high probability that the customer will leave the product.

Price is a very important component of the marketing mix definition. It is also a very important component of a marketing plan as it determines your firm's profit and survival.. Price of the product has a big impact on the whole marketing strategy as well as greatly affecting the sales and demand of the product. Pricing always help shape the perception of your product in consumer eyes. Malau (2017) said that a low price usually means an inferior good in the consumer eyes as they compare your good to a competitor. Consequently, the prices are too high will make the costs outweigh the benefits in customers eyes, and they will therefore value

their money over your product. Be sure to examine competitors pricing and price accordingly. The main reason why a consumer buys a product is the basic benefits of the product to consumer. The basic benefit is the minimum characteristics of the product, which requires that the users can receive substantial benefits which classified it into consumer product, necessary product, valuable product and exclusive product (Isoraite, 2016).

Marketers need to know how to set prices and understand how customers process perceptions of prices and know how prices will be received affecting demand. Here are some of the important price consideration in setting price strategy such as the cost of production, competitor's price, appropriation of price, discount, payment period and credit term. Moreover, price also must be based on the prices in the market place and the willingness of customers to pay. And you can consider it in form of questions, for example, how much did it cost you to produce the product? what is the customers' perceived product value? how you think that the slight price decrease could significantly increase your market share? can the current price of the product keep up with the price of the product's competitors? (Odunlami, 2013; Akroush, 2011; Chowning, 2017).

**Promotion.** Promotion is any form of information of a set of ideas that helps to inform customers about products. Basically promotion is a form of marketing communications that spreading information, influencing and convincing customers to make purchasing actions (Isoraite, 2016). Promotion is one of the critical success factors of a marketing program. No matter how good a product is, if the customer has not heard it and is not convinced that the product is useful to him, he will never buy it. That is why promotion is a very important component of marketing as it can boost brand recognition and sales (Tjiptono, 2008; Abdurrahman, 2015). And Kotler (2016) gave specifically various elements of of promotion such as public relations, advertising and sales promotion, advertising commercials, radio commercials, print media, and internet advertisements.

In contemporary times, there seems to be a shift in focus offline to the online world. Public relations, on the other hand, are communications that are typically not paid for. This includes press releases, exhibitions, sponsorship deals, seminars, conferences, and events.

Moreover, Kotler (2016) said that word of mouth is also a type of product promotion. Word of mouth is an informal communication about the products by satisfied customers and ordinary individuals. The sales staff plays a very important role in public relations and word of mouth. It is important to not take this literally. Word of mouth can also circulate on the internet. Harnessed effectively and it has the potential to be one of the most valuable assets you have in boosting your online profits. An extremely good example of this is online social media and managing a firm's online social media presence.

In an effective marketing promotion strategy, you need to know how can you send marketing messages to your potential buyers. When is the best time to promote your product. The best channel to reach them such as the use the social media in promoting the product. The effectiveness of your promotion competitors strategy (Odunlami, 2013; Akroush, 2011). Building a strong marketin strategy is important to winning business. Taking time to answer these questions will likely lead you to success such as (1) where would you be able to discover target buyer? (2) consider geography, commercial center, on the web, expo, and so forth (3) what places do they go to purchase and when? (4) what promoting channels do they use all the time (5) what promoting channels truly work best with your target customers (6) at the point when and where are your customers most prepared to purchase your product (Chowning, 2017)

**Placement or distribution.** Place is defined as a connecting bridge between producers to constumers. In the market, the producer gives the product to wholesaler, middlemen and retailer

to be continued to costumers (Kotler, 2015; Malau, 2017). According to Kotler (2016) placement is a very important marketing variable in marketing strategy. Place is defined as a channel of distribution and activity in delivering services or products from providers to receivers (Kotler, 2016; Thornton, J and White, L., 2001). Placement is not only putting a product in a certain place, but it is about choosing a position that is accessible to potential buyers. A place is also called channel because it is as the process and methods by which products or services reach customers. This channel will help assess what is the most suited to a product. The distribution channel involves intermediaries (agents) which directly from producer provide a product to the customer. It can take into forms of dealers, brokers, commisioners and retailer (Isoraite, 2016). Moreover, these channels such as its accessibility, the channel coverage and transportation of customers has possibility effects toward the achievement of organizaional goal.. Therefore, placement or distribution comes with a deep understanding of where your target market is, and how do you distribute your product to them. Product could be distributed by choosing distribution strategies which are intensive distribution, exclusive distribution, selective distribution and franchising (Martin, 2014; Isoraite, 2016 and Odunlami, 2013)

Here are some of the questions that you should answer in developing your distribution strategy: Where do your clients look for your service or product? What kind of stores do potential clients go to? Do they shop in a mall, in a regular brick and mortar store, in the supermarket, or online? How do you access the different distribution channels? How is your distribution strategy different from your competitors? Do you need a strong sales force? Do you need to attend trade fairs? Do you need to sell in an online store? (Chowning, 2017)

### *Organizational Goal.*

According to Tang (2008) Goals is defined as standards of performance. Organizational goals are regularly utilized as criteria for evaluating performance. To the extent that the goals are stated, they are set of standards for evaluation. Goals provide a source of motivation that present a challenge and how to achieve it, organizational goals act as behavioural incentives. Goals serve as guidelines for action, directing and channeling employee efforts. They provide parameters for strategic planning, allocating resources and identifying development opportunities. Goals act as a source of legitimacy by justifying an organization's activities and existence.

Goal setting should be measurable, easy to grasp and easy to see. The measurements can be made such as how many new customer targets are set for a given period, how much of the rupiah entry fee or pegged profit is expected to be obtained from the planned business activities, what is the area of targeted marketing coverage for a given time period

In business, there are two common goals that are official and operative goals. Official goals are the general aims of an organization as expressed in the corporate charter, annual reports, public statements and mission statements. Their purpose is to give the organization a favorable public image, provide legitimacy, and justify its activities. Operative goals reflect the actual intention of an organization. They describe the concrete steps to be taken to achieve the organization's purpose. They often do not correspond with official goals.

In the achievement of goal, management is very important to make how to make all marketing variables serve to contribute to achieve the goals set. For example, if a product is created there is a model expected by the customer that creates satisfaction and encourages repeat purchase. This is particularly important (Faiza et al 2001; Odunlami, 2015) says that "customer



satisfaction has greatly influence toward repurchase. It can be implicitly understood that customer satisfaction has an effect on achieving the goal of adding new subscribers (Malau, 2017). But be aware that adding to the number of customers is not an easy thing. Empirical results prove the fact that "it is five times more expensive to win a new customer than to keep an existing customer" (Deptolla, 2003). In other words, is the entire treatment of the functions of these variables can achieve organizational goals or not and how those variables are enabled. The marketing scientists provide marketing formulas with the number of mixing of marketing variables. For a certain period of time the using of marketing variables mix undergoes the dynamics of the using of 4Ps and 7Ps. This size limitation is believed to be enough to contribute to the variables that contribute to the achievement of organizational goals. For example 4Ps variable represents product, price, promotion, and place. While 5Ps is 4Ps plus that variable, that is "people". And 7Ps is 5Ps plus two other variables, namely "process and physical evidence". (E.g., Booms and Bitner, 1981; Gronroos, 1994; Day and Montgomery, 1999; Al-Khateeb, 2009)

## **Research Methodology**

**Research Population and Sample.** This study used a descriptive method in which data was collected based on real conditions, processed, analyzed, and finally drawn that are statistics used to analyze data by describing or describing data that had been collected as it is without making decisions that apply to the general or generalizations. Sugiyono (2017: 147) "The data collection technique of this study used primary data, where the primary data is data collected directly from respondents' answers through questionnaires and interviews of the parties concerned"

Research population is defined as all the manufacturing industries that have goods as their product market. Sahamok (2017) shows that in Indonesia there are several kinds of manufacturing industries such as cement sectors, ceramic/porcelain sectors, metal sectors, cemical sectors, plastic sectors, animal foods, wood sectors, and pulp/paper sectors. This research distributed 110 questionnaires from selected population to be part of this survey as samples located in Indonesia. Those questionnaires were send to marketing managers or directors (or the managers involved in marketing activities). Data analysis was conducted through the 100 returned questionnaires (91 % respond rate valid for data analysis).

The quantitative strategy was utilized as a part of this exploration by dissemination pertinent questioners and utilizing likert scale survyrys from stongly disagree, disagree, undecided, agree and strongly agree, respectively stands for 1,2,3,4 and 5 to the whole employees. The secondary source also employed from books, journals, internet and the periodicals. The data was analyzed using descriptive (mean, standard deviation) and associative by using linier regression analysis. Testing criteria: If the Sig  $t > 0.05 / 2$ , then  $H_0$  is accepted, it means that there is no significant performance. If the Sig  $t < 0.05 / 2$ , then  $H_0$  is rejected, it means that there is a significant performance (Santoso 2013; Siregar, 2012 and Atmajaya, 2009).

Size of Central Symptom Average. According to Noor (2012: 192), the measurement of this central symptom is "an attempt aimed at measuring the average value of the distribution of data that has been obtained in a study." So this is used to help calculate the value of each research data variable that has been collected. Moreover Noor (2012: 192) formulate the calculated average as follow:

$$\text{Average} = \frac{(\sum FrXi)}{(\sum Fr)}$$

Where:

Fr = Frequency.

Xi = Middle Value.

**Correlation coefficient.** According to Sujawerni (2015: 126), the correlation test aims to "test whether or not two variables have a relationship or not" . And Sujawerni (2015: 127) wrote method how to find out whether between variables have a relationship with the following conditions:

If Sig> 0.05 then Ho is accepted which means there is no relationship

If Sig <0.05 then Ho is rejected, which means there is a relationship.

**Coefficient of Determination.** To find out how much influence career development (variable X1) and compensation (X2) on work motivation (variable Y), the coefficient of determination is used with the following formula:

$$Kd = r^2 \times 100\%$$

Kd = coefficient of determination

r = Correlation coefficient

**Linear regression.** Linier regression formula below was used to foresee the necessity in light of the information previously, or to know the impact of free factor against subordinate variable was to utilize the direct relapse. Direct relapse was separated into two classes, straightforward straight relapse and twofold direct relapse. The utilization of straightforward direct relapse is just for one autonomous variable and ward variable. Nonetheless, twofold direct relapse was utilized for one autonomous variable and at least two ward factors.

Linear regression (Siregar, 2013):

$$Y = a + b X$$

Y = Dependent variable

X = Independent variable

a and b = constanta

Formula to find the value of constanta *b*

$$b = \frac{n \cdot \sum XY - \sum X \cdot \sum Y}{n \sum X^2 - (\sum X)^2}$$

Formula to find the value of constanta  $a$ :

$$a = \frac{\sum Y - b \sum X}{n}$$

$n$ : total of data

Multiple linear regression. For data analysis, the author uses Multiple Linear Regression analysis. This analysis is used to determine the extent to which the relationship between variables X1 (Career Development) to the variables Y (Work Motivation) and X2 (Kompensas) to variable Y (Work Motivation). According to Sugiyono (2017: 188), multiple linear regression is obtained by the formula:

$$Y' = a + bX1 + cX2 + \dots$$

$Y'$  = Predicted value

$a$  = Constants or if the price of  $X = 0$

$b$  and  $c$  = Regression coefficient

$X1$  and  $X2$  = Value of independent variables

**T Test.** The t test proposed by Sugiyono (2017: 179) to test the variable X1 (Career Development) on the variable Y (Work Motivation) and test the variable X2 (Compensation) on the variable Y (Work Motivation) as follows:

$$t = \frac{X - \mu_0}{\frac{s}{\sqrt{n}}}$$

$t$  = t value calculated

$X$  = Average Value

$\mu_0$  = Value hypothesized

$s$  = raw deposit sample

$n$  = Number of sample members

**F Test.** The F test t test proposed by Sugiyono (2017: 179) to test the variables X1 & X2 (Career Development and Compensation) on the Y variable (Work Motivation) as follows:

$$F_h = \frac{R^2/k}{(1 - R^2)/(n - k - 1)}$$



R = multiple correlation coefficients.

K = Number of independent variables.

N = Number of sample members.

Criteria for rejecting or accepting this hypothesis are:

1. If  $F_{count} > F_{table}$  then  $H_0$  rejected.
2. If  $F_{count} < F_{table}$  then  $H_0$  be accepted.

**Operational Variables.** According to Swarjana (2015: 49) operational variables are "definitions of variables based on theoretical concepts but are operational in nature, so that variables can be measured or can even be tested by both researchers and other researchers." And moreover Sani (2016: 32) stated that "operational variables are "limits on the scope of variables that will be the material of research"

There are five variables such as product, price, promotion, place (channel of distribution), and organizational goal. Indicators of product variables (1p) consists of five elements such as product quality, product customer's satisfaction, product warranty, product development and a good packaging of product. And indicators for price (2p) focus on appropriate of product price, pricing based on what customers willing to pay, pricing based on the prices on the market segment, the pricing decisions allow payment period and the pricing decisions allow for credit term.

Promotion variable (3p) focus on several indicators such as promotional strategy, advertising, sales promotion, personel selling and publicity. And indicators for place (4p)) are to use brokers/agents, direct sales force, online distribution, service delivery and multi-distribution channels. Indicators for organizational goal (Y-variable) are definitive goals, goals are criteria for evaluating performance, achievement of goal, measurability of goal, understanding of workers about organizational goal.

## **Result and Discussion**

The reactions of the respondents toward marketing mix variables and organizational goal variables of the questionnaires were investigated. The variable size in this study used the lowest scale to the highest scale. The measurement was represented in the form of numbers starting from 1, 2, 3, 4 and 5. Number one represents very low value, number two represents low value, number three represents quite high, number four represents high value and number five represents the highest value. The perceptions of the managers are shown one by one in the tables.

**Table 1. Respondent result of variable X1 (Product)**

NO	Questionnaires	5	4	3	2	1	Score	Mean	Percentage
1	Our products quality meet customers requirement	14	74	9	2	1	398	3.98	79.6%
2	Our company produces products in meeting customer's satisfaction	17	80	2	1	0	423	4.13	82.6%
3	Our company gives product warranty	21	78	1	0	0	420	4.23	84%
4	Our company has a well strategy for product developing	17	75	8	0	0	409	4.09	81.8%
5	Our products wrapped with a good packaging	9	74	16	1	0	391	3.91	78.2%
	Ideal Score/Mean ---> 2500/5						2031	4.10	
	Percentage Score								81%

The table above illustrates the responses of respondents regarding product variables. The ideal score for five questions with 100 respondents above  $100 \times 5 = 500$ . Based on the results of the processing presented in the table, it can be seen that the highest score is in questionnaire number 2 (Our company gives product warranty) of 423 or Mean of 4.23. And the lowest score of 391 or Mean of 3.91 is in questionnaires number 5 (Our products are wrapped with a good packaging). Based on the calculation of percentage scores where the total score divided by the maximum value obtained from the overall responses to the questionnaire is  $2031 : 2500 = 81\%$ . And empirical study shows that the Mean for Variable X1 (product) of this study reaches 4.10.

**Table 2. Respondent result of variable X2 (Price)**

No	Questionnaires	5	4	3	2	1	Score	Mean	Percentage
6	Prices of our products are appropriate	21	78	1	0	0	420	4.20	84%
7	Pricing based on what customers willing to pay	18	73	8	1	0	408	4.08	81.6%
8	Pricing based on the prices in the market segment we serve	24	69	6	1	0	416	4.16	83.2%
9	The pricing decisions allow for payment period	17	79	3	1	0	412	4.12	82.2%
10	The pricing decisions allow for credit term.	18	71	10	1	0	406	4.06	81.2%
	Ideal Score/Mean ---> 2500/5						2062	4.12	
	Percentage Score								82.48%

The table above illustrates the responses of respondents regarding the Price variable. The ideal score for five questions with 100 respondents above  $100 \times 5 = 500$ . Based on the results of the processing presented in the table, it can be seen that the highest score is in questionnaire number 6 (Prices of our products are appropriate) of 420 or Mean of 4.2. And the lowest score of 406 or Mean of 4.06 is found in questionnaires number 10 (The pricing decisions allow for credit terms). Based on the calculation of percentage scores where the total score divided by the maximum value obtained from the overall responses to the questionnaire is  $2062 : 2500 = 82.48\%$ . And empirical studies show that the Mean for Variable X1 (product) of this study reaches 4.12.

**Table 3. Respondent result of variable X3 (Promotion)**

NO	Questionnaires	5	4	3	2	1	Score	Mean	Percentage
11	People know our products based on our promotional strategy	22	66	10	2	0	408	4.08	81.6%
12	Our company applies advertising as one of the promotional strategy	11	75	12	1	1	394	3.94	78.8%
13	Our company applies sales promotion as one the promotional strategy	17	74	8	0	1	406	4.06	81.2%
14	Our company applies personal selling as one the promotional strategy	21	76	2	1	0	417	4.17	83.4%
15	Our promotional strategy influences the rate of purchase positively	16	80	4	0	0	416	4.16	83.2%
	Ideal Score/Mean--→ 2500/5						2041		
	Percentage Score								81.64%

The table above illustrates the responses of respondents regarding product variables. The ideal score for five questions with 100 respondents above  $100 \times 5 = 500$ . Based on the processing results presented in the table, it can be seen that the highest score is in questionnaire number 14 (Our company applies personal selling as one of the promotional strategy) of 417 or Mean of 4.17. And the lowest score of 394 or Mean of 3.94 can be found in questionnaires number 12 (Our company applies advertising as one of promotional strategy). Based on the calculation of percentage scores where the total score divided by the maximum value obtained from the overall responses to the questionnaire is  $2031 : 2500 = 81.64\%$ . And empirical study shows that the Mean for Variable X3 (promotion) of this study reached 4.08.

**Table 4. Respondent result of Variable X4 (Place)**

No	Questionnaires	5	4	3	2	1	Score	Mean	Percentage
16	Our company uses brokers and agents to distribute our products	15	72	11	2	0	401	4.01	80.2%
17	Our company has direct sales force to sell our products	22	65	13	0	0	409	4.09	81.8%
18	Our company uses online distribution channel	21	72	7	0	0	414	4.14	82.8%
19	Our company has service delivery properly	19	72	9	0	0	410	4.10	82%
20	Our company uses multi-distribution channels to deliver our product to different customer groups	17	82	1	0	0	416	4.16	83.2%
	Ideal Score/Mean--→ 2500/500						2050	4.10	
	Percentage Score								82%

The table above illustrates the responses of respondents regarding the place variable. The ideal score for five questions with 100 respondents above is  $100 \times 5 = 500$ . Based on the processing results presented in the table, it can be seen that the highest score is in questionnaire number 20 (Our company uses multi-distribution channels to deliver our products to different cost groups) equal to 416 or Mean of 4.16. And the lowest score of 401 or Mean of 4.01 is found in questionnaires number 16 (Our company uses brokers and agents to distribute our products). Based on the calculation of percentage scores where the total score divided by the maximum value obtained from the overall responses to the questionnaire is 2050:  $2500 = 82\%$ . And empirical study shows that the Mean for Variable X3 (promotion) of this study reached 4.08

**Table 5. Respondent result of Variable Y (Organizational Goal)**

No	Questionnaires	5	4	3	2	1	Score	Mean	Percentage
21	Our company has a definitive goals	18	81	1	0	0	417	4.17	83.4%
22	Our goals are regularly utilized as criteria for evaluating performance	16	75	8	0	0	406	4.06	81.2%
23	Our company always achieve the goal	23	57	18	2	0	401	4.01	80.2%
24	Goal setting be measurable and easy to see	14	72	13	1	0	399	3.99	78.8%
25	Peoples in our company understand organizational goal	21	59		18	2	397	3.97	79.4%
	Ideal Score/Mean- $\rightarrow 2500/500$						2020	4.04	80.8%
	Percentage Score								80.8%

The table above illustrates the responses of respondents regarding the Organizational Goal variable. The ideal score for five questions with 100 respondents above is  $100 \times 5 = 500$ . Based on the results of the processing presented in the table, it can be seen that the highest score is in questionnaire number 21 (Our company has definitive goals) of 417 or Mean of 4.17. And the lowest score of 397 or Mean of 3.97 is found in questionnaires number 25 (Peoples in our company understand organizational goals). Based on the calculation of percentage scores where the total score divided by the maximum value obtained from the overall responses to the questionnaire is 2020:  $2500 = 80.8\%$ . And empirical studies show that the Mean for Variable Y (Organizational Goal). This study reached a Mean of 4.08 from the highest ideal value of 5.

**Table 6. Statistic Result Summary**

	Underdized Coefficient (B)	Coefficient Correlation ( r )	Coefficient ( Sig)
Constant	0.25	1.00	0.000
Product (X1)	0.20	0.65	0.022
Price (X2)	0.30	0.70	0.021
Promotion (X3)	0.41	0.68	0.023
Place (X4)	0.18	0.62	0.018
Simultant (X1,X2,X3,X4)		0.84	0.022

Table 6 shows that the partial correlation between product variables (X1) and organizational goal (Y) obtained a value of  $r = 0.65$ . This value indicates a strong positive relationship between X1 and Y. A positive strong intention means a direct relationship between X1 and Y, where an

increase in X1 will increase organizational goals. Likewise, the partial correlation between variable price (X2) and organizational goal (Y) obtained a value of  $r = 0.70$ . This value indicates a strong positive relationship between X1 and Y. A positive strong intention means a direct relationship between X2 and Y, where the price strategy (X2) will increase the achievement of organizational goals. Furthermore, the partial correlation between product variables (X3) and organizational goal (Y) obtained a value of  $r = 0.68$ . This value indicates a strong positive relationship between X3 and Y. A positive strong intention means a direct relationship between X3 and Y, where the promotion strategy (X3) will increase the achievement of organizational goals. Likewise, the partial correlation between product variables (X4) and organizational goal (Y) obtained a value of  $r = 0.64$ . This value shows a strong positive relationship between X4 and Y. A positive strong intention means a direct relationship between X4 and Y, where an increase in place strategy will increase the achievement of organizational goals.

Simultaneous correlation between variables X1, X2, X3 and X4 with organizational goal (Y) obtained a value of  $r = 0.84$ . This shows a strong positive relationship between X1, X2, X3, X4 to Y. Positive strong intention means a direct relationship between X1, X2, X3 and X4 to Y, where an increase in all variables X will increase organizational goals. Contributions made by the four independent variables to the dependent variable (Y) =  $r \times r = 0.84 \times 0.84 = 0.7056$  or 71%.

From table 6 shows the results of the coefficient (sig) that the multiple regression equation model is used to estimate the achievement of organizational goals that are affected by product, price, promotion and place is  $Y = 0.25 + 0.20(X1) + 0.30(X2) + 0.41(X3) + 0.18(X4)$  From this equation, it can be analyzed that the achievement of organizational goals, if without product strategy, price strategy, promotion strategy and place strategy (X1, X2, X3, and X4 = 0), then the achievement of organizational goals is only 1.25. Whereas if each respondent increases 5 points for each independent variable (X1, X2, X3, X4 = 5), it is estimated that the level of achievement of organizational goals as follows:

$$Y = 0.25 + 0.20(X1) + 0.30(X2) + 0.41(X3) + 0.18(X4)$$

$$Y = 0.25 + 0.20(5) + 0.30(5) + 0.21(5) + 0.18(5)$$

$$Y = 4.45$$

Multiple regression coefficient of 0.20, 0.30, 0.21, and 0.18 indicates the amount of achievement of organizational goals. Each additional respondent answers for product, price, promotion and place variables. The multiple regression equation  $Y = 0.25 + 0.20(X1) + 0.30(X2) + 0.41(X3) + 0.18(X4)$  which is used as a basis for estimating the level of achievement of organizational goals that are influenced by product, price, promotion and place.

To test the validity of a single regression used a t test (partially). From table 6 above it is found that the coefficient (sig) for variable X1 (product) =  $0.022 < 0.025$ , then  $H_0$  is rejected. In the  $H_0$  hypothesis: There is no partially significant effect on the achievement of organizational goals. Thus there is a significant influence between the products on the achievement of organizational goals. Furthermore, coefficient (sig) for variable X2 (price) =  $0.021 < 0.025$ , then  $H_0$  is rejected. In the  $H_0$  hypothesis: There is no partially significant effect on the achievement of organizational goals. Thus there is a significant influence between price on the achievement of organizational goals. Then the coefficient (sig) for variable X3 (promotion) =  $0.023 < 0.025$ , then  $H_0$  is rejected. In the  $H_0$  hypothesis: There is no partially significant effect on the achievement of organizational goals. Thus there is a significant influence between promotion

on the achievement of organizational goals. And coefficient (sig) for variable X4 (place) = 0.018 < 0.025, then  $H_0$  is rejected. In the  $H_0$  hypothesis: There is no partially significant effect on the achievement of organizational goals. Thus there is a significant influence between the price on the achievement of organizational goals

To test the validity of the multiple regression equation the F test (simultaneously) is used. From table 6 above the coefficient (sig) = 0.022. Value coefficient (sig) = 0.022 < 0.025, then  $H_0$  is rejected. In the  $H_0$  hypothesis: There is no significant simultaneous effect between product, price, promotion and place on the achievement of organizational goals. Thus there is a significant influence between the four product variables, price, promotion and place on the achievement of organizational goal.

## **Conclusion and Recommendation**

### *Conclusion.*

The empirical study showed the reactions of the respondent towards marketing mix variables and organizational variables. The number two represents a low value which means that the indicator is not important. The number three represents quite high which means that the indicator is less important. The number four represents a high value which means that the indicator is important. And the number five represents a very high value which means that the indicator is very important.

The next result was that the independent variable X3 namely promotion was a variable with an average value = 4.08. In other words, the existence of variable promotion is important for the organization to achieve its objectives. These variable indicators have shown that the highest value is in personal selling, followed by the rate of purchase positively, promotional strategy, sales promotion and advertising. Likewise, the independent variable X4 is place as a variable with a high value (4.10). In other words, the existence of a variable place is important so that the organization can achieve its objectives. The indicator variable has shown that the highest value is in using of multi-distribution channels, followed by using of online distribution channels, service delivery, direct sales force and brokers / agents.

The result of the study showed that the dependent variable Y (organizational goal) is a variable with an average value = 4.04. These variable indicators have shown that their highest value is in the definitive goals of organization indicator, followed by utilizing goals are regularly as criteria for evaluating performance, the company always achieves its goals, goal setting becomes measurable and easy to see and people in the company understand organizational goal.

Partial product correlation to organizational goals shows a strong and positive direction where each strengthening of product strategy will increase the achievement of organizational goals. Likewise, other variables such as price, promotion and place, respectively, showed a positive direction towards organizational goals with a correlation coefficient that was not much different, namely for a product of 0.65; price of 0.70; promotion of 0.68 and place of = 0.64. Overall this variable contributed to the amount of influence on achieving organizational goals by 71%. In other words, only 39% of the achievement of organizational goals are not influenced by product, price, promotion and place strategies. And that is evident from the results of a very strong and positive relationship of 0.84.

Achievement of organizational goals can be predicted using multiple linear regression where organizational goals are influenced by product strategy, price, promotion and place where



Organizational goal = 0.25 + 0.20 product + 0.30 price + 0.41 promotion + 0.18 place . And each independent variable significantly influences the achievement of organizational goals. Likewise, simultaneously the independent variable significantly influences the achievement of organizational goal.

*Recommendations.*

It is recommended in achieving business organization goals that 4P's is a very important part of business strategy. It is an inseparable part in making decisions so that business is successful in achieving its goals. This suggestion is very useful considering the findings in this study that 4P's marketing mix has a very strong relationship and has a positive effect on the achievement of organizational goals.

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